

# PROGRAM E-NEWS JANUARY 12, 2007

#### INSTITUTION BUILDING

# **New Energy Project Launched**

SAID/Kosovo launched a new program to assist the managers of Kosovo Energy Corporation (KEK) strategically direct KEK and aid in increasing collections.

The two-year project will support KEK's Managing Director in providing overall strategic guidance to the company, with particular emphasis on enhancing KEK's own revenues. Additionally, the project will help increase collections through support to the Network and Supply Divisions and help improve the institutional, policy and legal environment in which KEK operates.

"Kosovo's electricity supply - and its revenue collection - is a key issue for everyone who cares about Kosovo's future. If KEK is to succeed and attract private sector support, we know collections must increase," said Dr. Michael Farbman, USAID/Kosovo Mission Director. "The Kosovars in charge of KEK today are dedicated professionals, working to turn around KEK. The US Government wants to support their efforts to improve KEK's supply of electricity and increase the billings and collections."

This project will complement the World Bank's "Lignite Power Technical Assistance Project" by further strengthening the financial viability of KEK and will be implemented by PA Government Services Inc., Arlington, Virginia.

# The First Medium Term Expenditure Framework (MTEF) for Kosovo

During 2006, the USAID Kosovo Economic Development Initiative (KEDI) teamed up with the Ministry of Economy and Finance (MEF) to prepare Kosovo's first Medium Term Expenditure (MTEF).

The MTEF includes expenditure and revenue projections for a three-year period, highlights major categories of spending by sector, and provides a list of prioritized projects for potential donor support. For more than three months, KEDI economists and finance experts worked intensively with MEF macroeconomics unit and budget department staff, engaging in a full range of discussions, reviews and analyses leading to the development of the comprehensive document. Government organizations and the United Nations Mission in Kosovo also participated in consultations on the document. The Government formally received the final MTEF and approved it in March 2006.

The MTEF exercise represents yet a further important step in the development of public sector fiscal and financial management and brings Kosovo to a high international standard of practice. With its first MTEF in hand, the Government of Kosovo was able to approach donors for the financing of priority budget expenditures at a major international donors conference organized in Pristina in April 2006. The Government received generous donor pledges, including 50 million euros from the European Commission, 5 million euros from the World Bank and 2 million dollars from the United States.

Having jointly worked through the first MTEF process, Ministry staff now has enhanced skills and experience for ownership of future annual exercises. USAID Project Advisors will continue to provide a supporting role. The next MTEF for fiscal years 2008-2010 is due to be released in the Spring 2007 and currently is being developed by the MEF macroeconomics and budget department staff. USAID Economic Development Initiative is implemented by BearingPoint.

### **Preparing Better Municipal Budget Plans**

A ceremony held on December 8th 2006 at the Kosova Institute for Public Administration marked the conclusion of a series of trainings designed to help build skills for municipal and central government officials to develop infrastructure projects

#### CIVIL SOCIETY

#### **Recovering the Youth Center**

A s part of its ongoing community-based advocacy efforts, the Advocacy Training and Resource Center (ATRC), in cooperation with Kosovo Youth Network, organized a debate about usage, management and operations of the Pristina Youth and Sports Palace.

The purpose of the debate was to address an ongoing concern for residents of the city, namely the gradual transformation of the Youth Palace into a commercial center. This has left the city with little space for youth organizations and sports clubs to organize activities for city's young people.

"The management of Youth Palace relocated us without any consultation; the space that was given to us is even worse than a refugee camp, and it's impossible for us to function properly and carry out our activities," said Alban Krasniqi, President of Kosovo Youth Network. He called upon the management of the facility and the Kosovo Trust Agency, which is responsible for administering the premises, to address the issue. In addition, Mr. Krasniqi called upon the Assembly of Pristina Municipality to take more responsibility and initiative in ensuring public access to the Youth Palace.

The participants of the debate agreed that the Youth Palace has diverged from its original function; therefore, a strategic plan should be developed to rehabilitate the center. The participants also recommended that the Youth Palace be placed under the auspices of Pristina Municipality, but managed by a special management board that includes youth representatives.

Advocacy and Training Resource Center, partners with International Research and Exchanges Board (IREX) in implementing Kosovo Civil Society Project supported by USAID.

#### SPECIAL INITIATIVES

# 15 Interns Placed at Ministry of Justice

ifteen students of the University of Pristina law faculty have begun internships at the Ministry of Justice. The interns, which are law faculty graduates or students in their final year of study, have been placed with in the MOJ's Office of the Permanent Secretary; the Department of Legal Affairs; the Department of Civil Rights; and the Office of Budget and Finance.



A law intern reviews the regulations on civil servants

The interns were selected on a competitive basis. The duration of the internships will be for an initial period of 6 months, with the option to extend the internship for up to one year. The project is supported by USAID and administered through World Learning.

#### **Upcoming Events**

January 19, -- Third Generation of the Political Party Academy will be honored at a ceremony organized by the National Democratic Institute, supported by USAID/Kosovo

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